

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

ANNUAL COMPLIANCE REVIEW, 2020

Docket No. ACR2020

RESPONSES OF THE UNITED STATES POSTAL SERVICE TO  
QUESTIONS 1-8 OF CHAIRMAN'S INFORMATION REQUEST NO. 16

The United States Postal Service hereby provides its responses to the above-listed questions of Chairman's Information Request No. 16, issued on February 12, 2021. Each question is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Nabeel R. Cheema.  
Chief Counsel, Pricing & Product Support

Eric P. Koetting

475 L'Enfant Plaza, S.W.  
Washington, D.C. 20260-1137  
(202) 277-6333  
eric.p.koetting@usps.gov  
February 19, 2021

**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 16**

1. In Library Reference USPS-FY20-2, December 29, 2020 and Library Reference USPS-FY19-2, December 27, 2019, Excel files "FY20Public Cost Segs and Comps.xlsx," and "FY19Public Cost Segs and Comps.xlsx," tabs "CS-11," cells F58 and F59, show that the total volume variable and product specific percentage of total costs of Component 75 Operating Equipment Maintenance decreased by 12.8 percent from FY 2019 and that the Other Cost increased by 91.2 percent for the same period. Please provide a detailed explanation for the increase in Other Costs of Component 75.

**RESPONSE:**

Custodial and Maintenance Services, cost segment 11, includes three labor components applicable to postal employees: 1) Custodial Personnel (component 74); 2) Operating Equipment Maintenance (component 75); and 3) Plant and Building Equipment Maintenance (component 79). From the reallocated trial balance filed in USPS-FY20-5, these components predominantly align with general ledger subaccounts 121, 123, and 125 respectively. Each component also includes a share of labor costs from administrative support that are captured in the general ledger in subaccount 127 (see Summary Description of USPS Development of Costs by Segments and Components Fiscal Year 2019, Chapter 11 footnote 1, filed July 1, 2020).

Custodial Personnel costs in component 74 and Plant and Building Equipment costs in component 79 are considered to vary with space usage and are distributed to products in the same proportions as the labor that uses the space. Hence, the treatment of costs for these two components is not reliant on an external input file.

In contrast, costs for Operating Equipment Maintenance in component 75 use data provided by operations that includes custodial, equipment, and building maintenance labor costs but are not separately identified by those categories. The Postal Service uses the acronyms and class codes in the data set to assign the

**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 16**

maintenance labor workhours to one of the 25 equipment groups that make up this component. For example, workhours with the acronym DBCS (all class codes) are assigned to equipment group 3, DBCS.

The volume variable costs for each equipment group are computed with the following three-step process: 1) workhours from the data file are multiplied by the applicable wage rate, \$56.89 in FY 2020, to compute the labor costs by equipment group shown in USPS-FY20-8, tab Maint. Costs (Equip Group); 2) labor costs in each equipment category are multiplied by an overhead ratio, 1.256 in FY 2020; and 3) the costs from step 2) are multiplied by a volume variability factor that is determined by the labor that uses the equipment. For example, the volume variability factor applied to maintenance labor associated with DBCS machines was 99 percent in FY 2020 (see USPS-FY20-31, workbook F Rpt, tab 98.8). This process resulted in a reduction in maintenance labor costs for all but one of the equipment categories. For example, DBCS maintenance labor costs declined by 72.8 million dollars (including overhead factor), or 13 percent, in FY 2020 compared to FY 2019. This result is consistent with the 7 percent decline in LDC 11 workhours (see USPS-FY20-7, LDC Workhour Report) that is likely explained by the volume drop experienced by both First-Class and Marketing Mail letters in FY 2020.

The variable costs from the 24 equipment maintenance cost pools are aggregated and the difference between the variable costs and those obtained from the general ledger subaccounts 123 and 127 (portion) equals the institutional costs for the

**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 16**

Operating Equipment Maintenance component.<sup>1</sup> Hence, there are two sources of institutional costs for this component: 1) institutional costs that result from applying variability factors for the labor that operates the equipment; and 2) the residual amount that results from the difference between the aggregated variable costs from the 24 equipment categories and the general ledger amount. In FY 2020, over ninety percent of the increase of 168 million dollars in institutional costs was from the residual portion that resulted from the aggregation process described.

---

<sup>1</sup> There are 24 equipment groups excluding Other Equipment because before the volume variability factors are applied, the maintenance labor costs with overhead for equipment group 17, Tray Transport and Staging Systems, are divided between equipment groups 3 and 6, DBCSs and FSMs, based on machine counts.

**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 16**

2. In Library Reference USPS-FY20-7, December 29, 2020, the Postal Service reported workhours by function for FY 2020. Excel File "LDC.Workhours.FY20.xlsx," tab "3 National Workhour Report" disaggregates workhours by labor distribution code (LDC) Code/Description. Attachment CHIR No. 16 compares LDC Workhours by Code for "Administration," "Training," "Total Sick Leave," and "Total Overtime" as reported in Library Reference USPS-FY20-7 for FY 2020 and FY 2019. Please explain the change in workhours reported for:
- a. Increase in workhours for LDC Codes 80, 81, and 82 (cells E4, E5, and E6).
  - b. Decrease in workhours for LDC Codes 90 and 92 – 98 (cells E23 and E25 – E31).
  - c. Please provide the amount or best estimate of the workhours and related dollar amount for "Overtime" (cells E34 - E43).
  - d. Please separate the number of workhours and provide the related dollar amount for "Sick Leave" (cells C45 - C54) between: (1) regular sick leave, (2) COVID-19 negotiated sick leave provided to bargaining employees, and (3) sick leave as provided by the Families First Coronavirus Response Act (FFCRA), enacted as Public Law 116-127 (March 18, 2020).

**RESPONSE:**

- a. The first character in the Labor Distribution Code (LDC) identifies the postal function. Hence, LDC codes 80, 81, and 82 covers function 8, which include Postal Service Headquarters and field administrative activities, the Inspection Service (IS), including Postal Police Officers (PPOs), and the Office of the Inspector General (OIG). The workhours displayed on the report in ACR folder 7 only include hours worked. Consequently, they do not include paid hours accounted for by sick leave or annual leave.

LDC 80 includes some headquarters and field administrative activities and Postmasters. This LDC experienced an increase of 390 thousand workhours, or a 1.3 percent increase, in FY 2020 compared with the corresponding amount in FY 2019. As previously stated, the reported workhours do not include annual

**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 16**

leave, and evidence suggests that less annual leave was taken by employees in FY 2020, which is likely explained by the presence of COVID-19. Support for this assertion comes from the amount in component 292 in cost segment 18. This component measures the liability associated with accrued annual leave, and in FY 2020 its amount nearly doubled to 160.2 million dollars from a corresponding amount of 81.2 million in FY 2019.

LDC 81 includes workhours for the IS, OIG, and some USPS field supervision. LDC 81 experienced an increase of 342 thousand workhours, or 5.5 percent, in FY 2020 compared to the corresponding amount in FY 2019. Several factors contributed to this increase in workhours. One, the OIG planned to increase the number of full-time equivalent positions in its investigative units by 15 to 678 (See USPS OIG FY 2020 Congressional Budget Justification). Two, the IS experienced a modest increase in the number of on-board personnel in FY 2020 as it filled a number of vacant positions needed to meet its staffing needs. Three, as was the case with LDC 80, less annual leave was taken by employees covered by this LDC which resulted in an increase in reported workhours in FY 2020 compared with the corresponding amount in FY 2019.

LDC 82 includes workhours for Postal Police Officers (PPOs) and some field hours for USPS clerical employees reporting to personnel covered by LDC 80. LDC 82 experienced an increase of 141 thousand workhours, or 5.4 percent, in FY 2020 compared with the corresponding amount in FY 2019. A larger percentage of employees in this LDC, including PPOs, are eligible to earn overtime. The rise in the amount of overtime workhours largely explains the total

**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 16**

increase in workhours for LDC 82. In the Excel workbook prepared by the Commission and included for this question (Attachment\_CHIR No. 16, cell E42), the number of overtime hours increased by 137 thousand hours in FY 2020 compared with the corresponding amount in FY 2019. A good portion of these additional overtime hours were incurred by PPOs during the first part of FY 2020, but were dramatically reduced during the latter part of FY 2020.

b. LDCs that begin with a '9' cover workhours associated with training. The second character in the code represents the postal function for the training. Hence, LDC 91 covers training hours associated with mail processing and LDC 92 is for training connected to delivery operations. In FY 2020, the Postal Service conducted almost 9 million hours of training across all functions (see Attachment\_CHIR No. 16, cell C32). The amount of training hours declined by 1.8 million hours, or 17 percent, in FY 2020 compared to the corresponding figure from FY 2019. With the exception of training associated with mail processing, LDC 91, the number of training hours decreased for all functions. The number of training hours declined for delivery (LDC 92) and customer service (LDC 94) by 17 and 21 percent respectively in FY 2020 compared to FY 2019.

The presence of COVID-19 largely explains the decline in training hours in FY 2020. When the pandemic first became widespread in March and many activities were paused, the Postal Service reassessed its training needs and was required to carefully review its training procedures to meet Center for Disease Control (CDC) guidelines to ensure safety for employees. For example, in

**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 16**

March, the Postal Service instituted a policy that strictly limited the amount of business travel. Initially, this had a significant impact on training workhours because the Postal Service conducts a material amount of in-person training at its facilities in Potomac MD and Norman OK, and much of that was not done during the first few months of the COVID-19 pandemic. As the pandemic continued, the Postal Service was able to largely continue its training, in part by shifting to remote learning. Also, it was also able to continue in-person training in accordance with CDC guidelines, and those protocols have continued into FY 2021.

The Postal Service recognizes the need to properly train its employees and conducted almost 9 million of training hours in FY 2020. While that is a substantial amount of training, it represents a 17 percent decrease from the previous year, or roughly a one-sixth reduction. To put this in some context, one-sixth of any given year is two months. While by no means suggesting that training stopped entirely for two months and then returned abruptly to its normal pace, the observed reduction seems commensurate with a substantial reduction in the weeks immediately following the outbreak, and then careful resumption of necessary training activity. The Postal Service retains its commitment to properly train its employees, safely, so it can continue its core mission to serve the American public.



**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 16**

C.

		SEP-20	SEP-19	
		YTD Total Overtime Dollars	YTD Total Overtime Dollars	
National	TOTAL F0 - OPERATIONS SUPPORT	\$12,070,488.50	\$11,472,909.27	\$597,579.23
National	TOTAL F1 - MAIL PROCESSING	\$1,214,428,257.77	\$1,119,056,323.12	\$95,371,934.65
National	TOTAL F2 - DELIVERY SERVICE	\$3,316,600,972.73	\$2,891,539,093.19	\$425,061,879.54
National	TOTAL F3 - MAINTENANCE	\$514,372,462.22	\$475,936,883.16	\$38,435,579.06
National	TOTAL F4 - CUSTOMER SERVICES	\$769,702,242.03	\$684,559,347.39	\$85,142,894.64
National	TOTAL F5 - FINANCE	\$3,113,080.09	\$3,120,810.34	(\$7,730.25)
National	TOTAL F6 - HUMAN RESOURCES	\$6,476,136.01	\$5,498,317.07	\$977,818.94
National	TOTAL F7 - CUSTOMER SERVICE	\$26,644,352.37	\$22,555,050.92	\$4,089,301.45
National	TOTAL F8 - ADMINISTRATION	\$36,092,628.23	\$29,429,359.52	\$6,663,268.71
National	TOTAL F9 - TRAINING	\$0.00	\$0.00	\$0.00
		<b>\$5,899,500,619.95</b>	<b>\$5,243,168,093.98</b>	<b>\$656,332,525.97</b>

d.

Leave provided in accordance with the FFCRA is not reported as Sick Leave, and thus none of the Sick Leave hours provided in the attachment to the question represent FFCRA hours under Category (3) of the question. Of the Sick Leave hours provided in the attachment, there is no apparent capability to separate regular Sick Leave hours under Category (1) from those hours authorized by MOUs negotiated with the bargaining units under Category (2). Consequently, with Category (3) entirely excluded and no way to separate Category (1) hours from Category (2) hours, the only option is to present the aggregate dollars associated with the aggregate hours for Categories (1) and (2) combined. Please see the table below.

		SEP-20	SEP-19	
		YTD Sick Leave Dollars	YTD Sick Leave Dollars	Variance
National	SICKLEAVE F0 (NON ADD)	\$10,101,351	\$8,402,628	\$1,698,722.41
National	SICKLEAVE F1 (NON ADD)	\$265,426,522	\$226,323,791	\$39,102,731.24
National	SICKLEAVE F2 (NON ADD)	\$709,296,442	\$642,718,294	\$66,578,148.16
National	SICKLEAVE F3 (NON ADD)	\$155,454,734	\$130,259,778	\$25,194,955.75
National	SICKLEAVE F4 (NON ADD)	\$179,290,144	\$151,082,351	\$28,207,793.22
National	SICKLEAVE F5 (NON ADD)	\$4,207,123	\$3,532,974	\$674,149.22
National	SICKLEAVE F6 (NON ADD)	\$9,102,548	\$8,849,113	\$253,434.93
National	SICKLEAVE F7 (NON ADD)	\$17,956,182	\$18,299,789	(\$343,606.98)
National	SICKLEAVE F8 (NON ADD)	\$83,888,510	\$77,909,940	\$5,978,570.31
National	SICKLEAVE F9 (NON ADD)	\$0.00	\$0.00	\$0.00
		<b>\$1,434,723,556.60</b>	<b>\$1,267,378,658.34</b>	<b>\$167,344,898.26</b>

**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 16**

While neither this table nor the attachment to the question include FFCRA leave amounts, those are understood to be estimated at approximately 15 million hours and approximately \$300 million for the period from March to December of 2020.

**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 16**

3. Please refer to the Responses of the United States Postal Service to Questions 1-21 of Commission Information Request No. 1, January 15, 2021, question 17 (Response to CIR No. 1) and the United States Postal Service, Office of the Inspector General, Report No. 21-014-R21, Deployment of Operational Changes, November 6, 2020, available at: <https://www.uspsoig.gov/sites/default/files/document-library-files/2020/21-014-R21.pdf> (OIG Report No. 21-014-R21), describing the Postal Service's efforts to reduce late and extra trips beginning on July 10, 2020. Please also refer to weekly service performance results for July 11, 2020 through August 8, 2020, which report that on-time service performance for First-Class Mail Single-Piece Letters and Cards 3-5-Day decreased by 5.51 percentage points.<sup>2</sup>
- a. Please discuss any correlation and causation between the Postal Service's efforts to reduce late and extra trips beginning on July 10, 2020 and the reported decrease in on-time service performance results.
  - b. Please discuss any correlation and causation between unintended impacts resulting from the Postal Service's efforts to reduce late and extra trips beginning on July 10, 2020 and the reported decrease in on-time service performance results.
  - c. Please discuss what other factors, if applicable, may have negatively impacted on-time service performance results during this time period.

**RESPONSE:**

- a. During the weeks following July 10, 2020, the Postal Service's renewed efforts to reduce the number of unnecessary trips contributed in some part to a short-term decrease in on-time service performance due to the failure of processing schedules to align with transportation schedules. Other circumstances, e.g., COVID-19, also impacted service performance. The Postal Service made adjustments to processing schedules to better align with the transportation schedules, and those adjustments contributed to an improvement in service

---

<sup>2</sup> Docket No. ACR2019, Responses of the United States Postal Service to Revised Questions 1-2 of Commission Information Request No. 3, October 7, 2020 (Docket No. ACR2019 Response to CHIR No. 3), Excel file "CIR.3.Oct.7.Wkly.ServPerf.Attachmnt.xlsx," tab "FC Nation."

**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 16**

performance in August 2020, while the number of unnecessary late and extra trips remained lower than prior to July 2020.

- b. The unintended impact resulting from the Postal Service's efforts to reduce the number of unnecessary late and extra trips was a partial and temporary contributing cause of the July 2020 decrease in on-time service performance results. See also Response to Question 3.a, above.
- c. Other factors that negatively impacted on-time service performance results during this time period were the spike in COVID-19, along with ongoing employee availability challenges resulting from the pandemic. In addition, factors that may have had some impact include ongoing challenges of adjusting to a decline in the volume of letter and flat mail and an increase in package mail volumes and natural causes. Although the Postal Service is unable to determine exact impacts to service scores caused by the natural disasters and weather events, the following events occurred during this period: wildfires in nine states (July 7 – Sept. 27, 2020); Hurricane Douglas (July 25, 2020, Hawaii); Hurricane Hanna (July 25 – July 27, 2020, Texas); and Hurricane Isaias (July 31 – August 3, 2020, affecting four states).

**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 16**

4. Please refer to the Response to CIR No. 1, question 18, the OIG Report No. 21-014-R21, at 7, and Appendix B at 20-22, describing the Postal Service's efforts to reduce overtime in connection with the *Do It Now* efforts during July and August 2020. Please also refer to weekly service performance results for July 11, 2020 through August 8, 2020, which report that on-time service performance for First-Class Mail Single-Piece 3-5-Day decreased by 5.51 percentage points.<sup>3</sup>
- a. Please discuss any correlation and causation between the Postal Service's efforts to reduce overtime in connection with the *Do It Now* initiative during July and August 2020 and the reported decrease in on-time service performance results.
  - b. Please discuss any correlation and causation between unintended impacts resulting from the Postal Service's efforts to reduce overtime in connection with the *Do It Now* efforts during July and August 2020 and the reported decrease in on-time service performance results.
  - c. Please discuss what other factors, if applicable, may have negatively impacted on-time service performance results during this time period.

**RESPONSE:**

- a. The Postal Service has not changed its overtime policy. Efforts to reduce unnecessary overtime hours during July and August 2020 were part of the Postal Service's normal efforts undertaken throughout each year to improve efficiency and reduce costs and to adjust to the seasonal drops in mail volume that occur each summer. The Postal Service does not attribute a decrease in on-time service performance to these efforts.
- b. The Postal Service is not aware of any established correlation or causation between those ordinary efforts to reduce overtime and a decrease in on-time

---

<sup>3</sup> Docket No. ACR2019 Response to CHIR No. 3, Excel file "CIR.3.Oct.7.Wkly.ServPerf.Attachmnt.xlsx," tab "FC Nation."

**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 16**

performance; as noted above in the Response to Question 4.a, those were normal efforts to reduce unnecessary overtime hours.

- c. Please refer to the Response to Question 3.c of this Information Request.

**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 16**

5. Please refer to the Postmaster General statement issued on August 24, 2020, stating that “[f]irst, I did not direct the removal of blue collection boxes or the removal of mail processing equipment. Second, I did not direct the cut back on hours at any of our post offices. Finally, I did not direct the elimination or any cutback in overtime. I did however suspend these practices, to remove any misperceptions about our commitment to delivering the nation’s election mail.”<sup>4</sup>
- a. Please specify which practices related to the removal of blue collection boxes were suspended in accordance with this statement. For each suspended practice, please identify the date that the suspension became effective and if the practice has been reestablished.
  - b. Please specify which practices related to the removal of mail processing equipment were suspended in accordance with this statement. For each suspended practice, please identify the date that the suspension became effective and if the practice has been reestablished.
  - c. Please specify which practices related to the cut back in hours at any post offices were suspended in accordance with this statement. For each suspended practice, please identify the date that the suspension became effective and if the practice has been reestablished.
  - d. Please specify which practices related to the elimination or any cutback in overtime were suspended in accordance with this statement. For each suspended practice, please identify the date that the suspension became effective and if the practice has been reestablished.

**RESPONSE:**

- a. On August 18, 2020, Postmaster General DeJoy suspended the removal of collection boxes until after the November 2020 election was concluded, stating that blue collection boxes would remain where they are. The Postmaster General’s August 24, 2020 statement refers to the suspension of further removals pursuant to the Postal Service’s policy of assessing the need for and location of collection boxes

---

<sup>4</sup> United States Postal Service, Postal News, Oral Statement of Postmaster General Louis DeJoy Before the House Committee on Oversight and Reform, August 24, 2020, available at: <https://about.usps.com/newsroom/national-releases/2020/0824-oral-statement-of-pmg-louis-dejoy-before-the-house-committee-on-oversight-and-reform.pdf>.

**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 16**

throughout the nation, set forth in the Postal Operations Manual (POM), Chapter 3. Collection Service – National Service Standards. The Postal Service conducts annual assessments of collection box density, i.e., volume of mail per box, and relocates or removes based on volume. It has done so for many years. The purpose of the reviews is to ensure that mail collection within areas served by letter carriers is accomplished in a cost-efficient manner, while still meeting customers' needs.

During the second quarter of FY 2021, the Postal Service has continued to follow postal policy per the Postal Operations Manual, Chapter 3, with respect to review, relocation, and removal of collection boxes.

- b. On August 18, 2020, Postmaster General DeJoy suspended the removal of mail processing equipment until after the November 2020 election was concluded, stating that mail processing equipment would remain where it is. The Postmaster General's August 24, 2020 statement refers to the suspension of further removals pursuant to the reduction plan in place in May 2020, which was consistent with the Postal Service's long-standing practice of removing and/or replacing unnecessary or outdated mail processing and sorting equipment to



**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 16**

align with changes in mail mix to include recent decreases in mail volume and increases in package volume.

Following the Postmaster General's August 18, 2020, directive, the Postal Service immediately halted all equipment removals, relocations, expansions, and any other equipment alterations.

The Postal Service approved all requests to reconnect machines to the network through on-going court monitoring during the November 2020 election and the following Georgia run-off elections. In addition, with advance notice to plaintiffs' counsel in ongoing litigation, the Postal Service has made several adjustments to or relocated some of its machines in order to support mail processing operations, including moving dismantled inoperable machines to storage to make space on two facilities' workroom floors for peak volume, expanding machines to enhance sorting capacity, and reinstallation of machines in storage to provide additional mail processing capacity.

The Postal Service is in the process of assessing what adjustments to its current machine inventory should be made in the future. At this time, it anticipates adding more packaging machines this year, but does not anticipate any substantial reduction in overall inventory.

- c. The Postal Service had no policy or practice of cutting back hours at post offices on a nationwide basis before or after the Postmaster

**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 16**

General's statement, and Headquarters Operations did not initiate or approve cutbacks in hours during the summer of 2020.

Consistent with section 126.4 of the Postal Operations Manual, the Postal Service routinely reviews retail window hours in post offices, examining retail units' volume of transactions, customer visits, and revenue to assess whether locations are operating efficiently and providing adequate service to customers, generally on an annual basis in preparation for plans for the next fiscal year. Section 126.42 provides that local managers are not permitted to significantly reduce hours without review and approval by the areas and Headquarters.

In 2020, the COVID-19 pandemic caused significant staffing shortages for Postal Service operations in many locations due to illnesses, deaths, and quarantines. Staffing shortages prompted supervisors or managers at some post offices to adjust hours of operations temporarily. The lack of any available supervisors and employees led to one or more small post offices being unable to open during all or most of the day. Such isolated events may have contributed to inaccurate media reports suggesting that the Postal Service was implementing broad policy changes that might compromise its ability to deliver Election Mail for the coming November 2020 election.

To avoid even the appearance of any impact of any operational adjustments on Election Mail, the Postmaster General issued the

**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 16**

August 18, 2020, statement that suspended various preexisting initiatives and also assured the public that “retail hours at Post Offices will not change” and that “no mail processing facilities will be closed” prior to the election, although the Postal Service had no plans to implement any nationwide change to retail hours or closing of mail processing facilities at the time.

The Postal Service has not implemented any nationwide changes or authorized changes to post offices' retail hours since the November 2020 election, although there may have been some temporary changes due to staffing challenges arising from the impact of COVID-19, and some weather events have prompted curtailed hours on a temporary basis.

- d. As previously stated (see Response to Question 12, Responses to Commission Information Request No. 1, Jan. 15, 2021), there was no change to the Postal Service's overtime policy or practices before or after the Postmaster General's August 24, 2020 statement. The Postal Service's consistent practice in the past has been to use justified and approved overtime hours where needed to deliver the mail on time, and that practice has continued. As the Postmaster General stated on August 18, 2020, “overtime has [been], and will continue to be, approved as needed,” and the Postal Service would engage standby

**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 16**

resources in all areas of its operations to satisfy any unforeseen demand and ensure the successful delivery of Election Mail.

As previously explained, the Postal Service conducted a pilot study to determine whether carrier operations could be changed in a manner that might reduce unearned overtime, known as the Expedited to the Street Afternoon Sortation (ESAS) Initiative. The pilot began on July 25, 2020, at a limited number of offices, but was ended on or about August 21, 2020, several days prior to the end of its planned term.

The Postal Service has no plans to continue that initiative on a nationwide or permanent basis. See also Response to Question 18, Responses to Commission Information Request No. 1 (Jan. 15, 2021).

**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 16**

**6.** Please see Attachment, filed under seal.

**RESPONSE:**

Please see the response filed under seal as part of USPS-FY20-NP45.

**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 16**

7. Please see Attachment, filed under seal.

**RESPONSE:**

Please see the response filed under seal as part of USPS-FY20-NP45.

**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 16**

**8.** Please see Attachment, filed under seal.

**RESPONSE:**

Please see the response filed under seal as part of USPS-FY20-NP45.